



City of Albuquerque

MAYOR / CAO OFFICE

Martin J. Chávez, Mayor

Interoffice Memorandum

August 31, 2005

To: President Brad Winter, Albuquerque City Council

From: Mayor Martin J. Chávez

Subject: FY/06 Approved Budget

I am pleased to present a balanced budget for the City of Albuquerque, New Mexico, for the Fiscal Year 2006 (FY/06). This budget provides the public services needed in our vibrant and growing city, while remaining fiscally prudent and budgeting within conservatively estimated resources. It reflects the priorities of this administration: enhance public safety, assure a sustainable water supply and provide increased economic opportunity. It also reflects the priorities of City Council and funds increases in employee compensation and benefits as agreed in the FY/05 budget and negotiated with the bargaining units for FY/05 and FY/06.

Budget increases are driven primarily by decisions made in Fiscal Year 2005 (FY/05). Midyear program increases, ordinances requiring personnel but no appropriation, new capital projects coming on line as well as facilities and programs began in FY/05 that require full year funding in FY/06 have been accommodated.

Additional staffing at the Animal Care Center, establishment of a City Forester, and an increase in the number of off leash dog parks are incorporated and fully funded in this budget. In addition, funding to increase the number of sector plans, address prairie dog issues, develop a plan to economically use landfill methane and provide funds for Transit studies is expanded. Council staffing is increased to meet their demand for additional budget analysts. Additionally, funds are reserved to provide for the federal Transportation Oriented Development grant match, a community education initiative, shelter needs, youth services and implementation of recommendations from the community center study.

Facilities that opened or service expansions that began in FY/05 now require a full year of funding. Those items include: operation of Taylor Ranch and East San Jose

Community Centers, La Mesa and Manzano Mesa Child Development Centers, the Westside Transit Facility, the Animals of Africa exhibit, the Period Farm, and the Erna Fergusson Library, as well as expanded library hours at other branches.

New services funded in the FY/05 budget that are carried forward at full funding in the FY/06 budget include expanded programs to increase pet adoptions and reduce animal euthanasia, the introduction of the Rapid Ride, adding an Inspector General, expanding the Safe Cities Strike Force, and increasing employee compensation including higher health insurance costs. It should be noted that the weed and litter effort put together last year, the War on Weeds, is funded in a General Fund transfer to Solid Waste.

FY/05 Public Safety Quarter Cent Tax expansions used to staff Fire's Heavy Technical Rescue and open Station 21, expand the number of APD officers to 1,000, and contract with social service providers for crime intervention and prevention services, including the Assertive Community Treatment program, are carried forward and funded in the budget.

The new initiatives funded in this budget to meet the demands of a growing community are described below. They are the product of departmental recommendations that were reviewed by Administration, Council and Internal Audit staff at the Chief Administrative Officer's budget hearings. They are realistic and will provide the resources necessary to address community needs and resolve problems.

Public Safety Quarter Cent Gross Receipts Tax

The Public Safety Quarter Cent Gross Receipts Tax is a growing revenue source that is again used to increase the size of the sworn APD officer force. The budget would grow the number of officers to 1,100 and provide necessary equipment and vehicles. It will also bring on a rescue unit at Fire Station 20 in the far northeast heights, renovate the Fire Academy and Stations 15 and 18, and provide for necessary vehicle replacement. There is a significant increase in funding to contract for needed crime prevention and intervention services including mental health and substance abuse prevention services. Public Safety Quarter Cent funds are again reserved for processing arrestees bound for the Metropolitan Detention Center. These funds will be appropriated under separate legislation when a recommendation of award for the efficient transport of arrestees from the city to the MDC is approved. The plan will reduce the time officers spend transporting arrestees to the jail and increase the time spent on our streets.

Other Public Safety and Family and Community Services

Although not Public Safety Quarter Cent funded, the Department of Family and Community Services will open newly renovated West Mesa, Heights, Wells Park, and Mesa Verde Community Centers as well as the John Marshall Cuidando los Ninos building. New civilian APD positions are created to increase the number of criminal nuisance abatement inspectors, add a DWI seizure coordinator, increase crime lab staffing, add a communications division manager, and professionalize the evidence unit. The Victim Assistance Unit will be supported with City funds in FY/06 as grant funding was unfortunately eliminated. Metropolitan Detention Center funding reflects maintenance of effort budget for an expanding inmate population. Increased medical and

mental health contract costs are funded. Corrections Officers are added for population control and to expand the reimbursed weed and litter removal program. The oversubscribed Community Corrections Program is expanded as a strategy to minimize MDC inmate population growth.

Transit

The successful Rapid Ride system on Central Avenue connecting the west side and the east side has been operating since December 2004 and is widely recognized for improving the quality of transit services. This budget provides a full year of funding for Rapid Ride and for the reinstatement of two routes suspended when Rapid Ride began. Downtown Albuquerque is an increasingly popular late night destination. In order to keep our streets safer and encourage downtown revitalization, the budget includes Rapid Ride expanded evening and late night service with the last bus leaving the Alvarado Transportation Center at 2:30 am on Friday and Saturday nights from May 1 to September 30. This will allow riders to take public transportation to the entertainment areas and let Rapid Ride return them safely. Funding for a new software program will allow riders to efficiently find the most appropriate bus route via the web. Users will provide the starting and destination points and the web site will quickly identify routes available.

Environmental Health

Animal care staffing was increased at mid-year with the passage of the Dangerous Dog Ordinance. The budget provides a full year funding for that effort as well as necessary additional staff for the Animal Care Centers and additional funds to spay/neuter animals. Animal Care has made progress over the past year and this expanded funding is necessary to comply with the HSUS recommendations, improve operations, reduce euthanasia and increase pet adoptions. Environmental Health will reclassify an existing position to create the city forester as required by ordinance. Additional funding is provided to finance a \$75,000 feasibility analysis of landfill gas as an alternative fuel. Finally, \$100,000 is provided to support the anticipated loaned executive biologist and develop and implement a management plan for prairie dogs and other mammals.

311

The beginning of the fiscal year was the “go live” date for the first phase of the citizen services system (311) which will provide prompt and accurate information to residents 24 hours per day. Too many times citizens find themselves in bureaucratic limbo as their call is transferred from desk to desk seeking an answer and finding none. Also, this system will relieve the load on our over used and frequently abused 911 system, freeing it up for its proper emergency purpose. Inherent in the 311 system is a reporting capability that will make it possible to track service levels and increase departmental accountability.

CAO

The largest increase in the CAO's budget is due to a change in the way we show costs to highlight economic development decisions. The Office of Economic Development now includes a \$1.1 million transfer from the General Fund to the Parking Fund representing the value of economic development incentives extended in the form of free or reduced rate parking. In past years this transfer was included as a transfer from the General Fund to the Parking Fund.

Planning, Parks and Municipal Development

The Impact Fee positions in the Planning Department are fully funded. The Impact Fee positions in the Municipal Development Department will not be required until Impact Fees are imposed and collected by the Planning Department. At that time, an appropriation will be made from the administrative fee allowed on the Impact Fee revenue stream. The budget adds new positions and expenses to fund the expedited schedule mandated for park and median development. Other expansions include construction inspectors and security officers to better secure City parking structures and secure the new Balloon Museum and Tingley Beach. Increased Parks Department funding is provided to support the new indoor running track and the new skate park at Alamosa Community Center as well as the portable skate parks. Staff is added for the off leash dog parks, the West Mesa Aquatic Center expansion, to continue Bosque restoration, and to operate the new Open Space Visitors Center.

Senior Affairs

Our seniors will note that La Amistad will open and operate as a meal site. Funding is provided for the State Senior Olympics to be held in Albuquerque in the summer of 2005. The Manzano Mesa Water Spray Park with a recycling/conservation component will open in FY/06. The Palo Duro Senior Fitness Center is now open and the budget supports its extremely popular senior health and fitness program.

Cultural

The Tricentennial celebration funding is carried forward in FY/06, including funding for at least two Spanish Art exhibits and an additional significant exhibit relevant to our 300th birthday celebration. This will be a year of exciting events in Albuquerque. Our annual music festival will be incorporated into the 4th of July celebration for an expanded three day event. The new Balloon Museum will open during the 2005 Albuquerque International Balloon Fiesta this October. The Tingley Beach renovation will provide the City with a water recreation facility and function as a regional park. According to New Mexico State Department of Game and Fish, more licenses are used at Tingley than any other water system in the state. The BioPark will open the Japanese Garden based on Japanese traditions and providing information about different cultures in Albuquerque. With the assistance of the state, the City continues to set the stage for the Panda exhibit coming on line in FY/07 by renovating the portion of the Zoo dating back to the 1930's.

Employee Compensation and Benefits

The budget contains sufficient funding to support raises and a modest expansion of benefits for all permanent City employees as adopted in the FY/05 budget and incorporated in the two year contracts negotiated with the bargaining units. As in previous years, employee insurance premium costs increased, although the increase was minimized through the hard work of staff. The City will continue to pay 83% of employee health and dental insurance as well as the new vision benefit package. The increasingly popular employee Flex Plan is expanded up to \$5,000 for medical and dental costs and child care expense reimbursement, and a new benefit for parking and transit passes is added.

Other

A transfer to storm drainage is included, even though the transfer was suspended in FY/04 and FY/05. A companion ordinance moved and passed as part of the budget this year, eliminates the earmarking of Basic Services Quarter Cent Tax established in 1989. Community needs have shifted and earmarked transfers make responding to changing needs difficult. The earmarked funds supported capital programs that should be required to compete with other needs each year to maximize efficiency in government. Earmarking was eliminated and these capital projects were funded on a nonrecurring basis in FY/06 to allow recurring money to match recurring appropriations rather than capital projects. Council floor amendments reduced the funding of these projects by \$700 thousand.

Combined with anticipated vehicle funding in the FY/05 bond package, \$4.9 million will be available for non-APD vehicles and more than \$11.6 million is expected to be available for APD vehicles in FY/06 bringing 75% of the marked patrol fleet under warranty. \$2 million is set aside to meet computer system demands (such as the Transit system described above).

Finally, \$43.2 million is set aside in General Fund reserves. The General Fund reserve equal to 1/12th of the appropriation level is fully funded at \$37.2 million. The special reserve from the settlement of an IRB in FY/04 has spent some of the original balances and is set at \$1 million for FY/06. Also carried forward is \$1.5 million reserved from the Public Safety Quarter Cent Tax for Corrections in FY/05. This Corrections reserve will grow in FY/06 as the 6% share is increased to \$1.9 million for a total of \$3.4 million, but some of this reserve is expected to be appropriated out when the contract for arrestee transport services is awarded later this year. A \$1.35 million special reserve established in the floor amendments to the General Fund appropriations resolution provides a source of funding for specific projects in FY/06. Anticipated projects to be funded include: a Transit Oriented Development Center and Corridor plan that is expected to receive grant funding requiring a 20% City match to Federal Transit Authority funds; the Community Education Initiative that requires an intergovernmental agreement; implementation of the community center study that is expected to be available in early FY/06; various youth services; and winter and other shelter needs.